The Stories We Love to Tell



Edelman FY16 Citizenship Report

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We are storytellers.

The stories we tell matter. They change how we perceive our world. We find commonality with others from them. As our Global Trust Barometer underscores, purpose impacts trust. Our 2016 Global Citizenship Report focuses on showcasing the difference we make – for our people, our communities and our clients.

That's why, through the craft of storytelling, we create stories with impact. We seek to kindle a citizenship culture that delivers on our trust and brand promise. We strive to ignite a global collective force for good. By rethinking our global responsibility. Inspiring change locally. Deploying a strategy for collaborative impact. And establishing partnerships for good.

Edelman is making credible strides along our global citizenship path that always challenges us to do more. We hope these stories engage and enlighten you because we love to tell them.

I am extremely proud of the deep commitment to giving back that our employees and agency continue to demonstrate every day.

After the horrific shootings at an LGBT bar in Orlando in June, our Orlando office and employees there and elsewhere launched #HealOrlando, a project that in ensuing weeks helped over 30 nonprofits there as well as victims of the attack and their families. Some volunteers worked for days and weeks on end.

In July, when 14 Dallas police were killed or injured in a heinous attack, our Dallas office and employees and others within Edelman immediately offered their full resources to local agencies – from the Mayor's office and police to the area transit authority and convention bureau. And after devastating wildfires in western Canada this summer, our Edelman Vancouver team provided invaluable help to the Canadian Red Cross, including monitoring social media channels 19 hours a day for weeks.

This Is Our DNA

Throughout the world in FY16, our employees rolled up their sleeves – whether assisting the 9/11 memorial museum in New York on its 15th anniversary, the #62million girls campaign to empower girls around the world to go to school, the UNICEF Sweden drive to recruit world parents for refugee orphans or helping many other projects.

In all, our overall giving – including 32,000 hours of professional and general volunteerism, 140 community investment grants and our matching of employee donations – totaled more than \$4.6 million.

The Time Is Now

At Edelman, purpose and profit go hand in hand, which is a key finding of our <u>Global Trust Barometer</u>. The 2016 survey found that 80% of participants, up from 74% a year earlier, believe a business can increase profits and improve the economic and social conditions in their communities. They also believe that businesses improve when they contribute to the greater good and decline when they fail to contribute to it.

This dual relationship is vital, especially on the environment front if we're to save our planet. I am especially proud of our green efforts, and I pledge Edelman's continued support to the UN Global Compact, the world's largest corporate sustainability initiative.

We're pleased to do our part, to accelerate our citizenship efforts and to help lead the way.

Richard Edelman is president and CEO.

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I am proud of the progress we have made in Citizenship in the past six years. Our Citizenship journey has been an evolution, not revolution, in which we incrementally improve year to year in incorporating Citizenship into our culture.

Today, Citizenship needs to be integrated into a company's purpose and strategy, much like any other company function. Our times demand it as governments, communities and companies move on concerted fronts to achieve specific sustainable development and shared responsibility goals. As a result, Citizenship has evolved from a "nice to have" to "a must have" as reflected in our own experience:

- Our employees want to volunteer in the communities where we operate and believe we should continue to improve in how we operate our offices sustainably based on our FY16 Citizenship survey.
- Reporting frameworks and disclosure standards incorporate supply chain accountability and transparency as part of the evaluation criteria.
- Clients use third-party platforms to evaluate the environmental, economic and social impacts of their business partners.
- Governments increasingly incorporate sustainable purchasing into their contracts and bid processes and establish requirements from minimum wage and human rights to recycling and energy efficiency.

Fresh Approaches

Managing these complexities to meet stakeholder expectations in our fast-paced, connected global economy requires new approaches. To better navigate them, we are pivoting to four new missions: Rethink our global responsibility. Inspire change locally. Strategize for collaborative impact. Establish partnerships for good. We believe this subtle pivot lets us move from a "license to operate" to a "license to lead" in Citizenship.

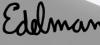
Stories We Love to Tell

This year's report tells the stories we love to tell about how we are evolving from a Citizenship function to a Citizenship culture in which we embed Citizenship in everything we do. And I'm proud of the progress we made. We introduced the Ruth Edelman Citizenship Award this year as part of our Culture Awards to recognize the best Citizenship pro bono program globally at Edelman. We shrank our aggregated carbon intensity for our hub offices by 21% from FY11, outperforming our target 5% reduction goal by 16%. We also became the first public relations firm to receive Carbon Trust certification worldwide.

Through our Citizenship Score we provide accountability on Citizenship-related policies and projects. For the second year we achieved our goal of reaching a global Citizenship Score of at least 8 out of 10.

I hope you will continue to be part of our Citizenship journey and the stories we love to tell.

John Edelman is Managing Director, Global Engagement & Corporate Responsibility



Key Impacts

In order to determine which Citizenship issues are the most significant to Edelman, we review our key impact areas annually, with a more in-depth analysis every three years. This ongoing materiality process allows us to report on those topics that are most critical to our people, our clients and our communities, and map our Citizenship journey for the years ahead.

This progress report lets us look back and gauge how far we've come and offers a roadmap to future success. In 2016, we reached our overall global Citizenship Score mark of 8/10 or above, but we fell short on overall volunteerism participation and volunteer hours. We met major environmental goals; evolved pro bono plans, launched diversity and inclusion programs; and advanced health and well-being actions. Plus, we determined how to meet those goals that require us to step up our efforts.

Overall, of our major objectives, we achieved 10 and partially fulfilled 12 others. An employee survey will help guide us ahead; it underscores that our 6,000-plus employees desire more knowledge about Citizenship and volunteering. As for our 2016 story's synopsis: We made progress and signaled further advancement.

Fiscal Year 2016 Citizenship Performance

GOAL	ASSESMENT	ADDITIONAL INFORMATION
Global Citizenship Score	8.0 / 10	Our global C-Score in FY16 was lower than the score in FY15, because of lower numbers of volunteerism reported.
RETHINK OUR GLOBAL RESPONSIBILITY / Business Ethics		
At least 85% of FTE trained in Intro to Compliance and Ethics.		85% of employees completed the Intro to Compliance and Ethics training module.
At least 85% of required FTE trained in Worldwide Anti-Corruption.		79% of required employees completed the Worldwide Anti-Corruption training module.
INSPIRE CHANGE LOCALLY / Carbon Footprint & Green Office	Policies	
Achieve on-time, quarterly reporting of GHG data.		86% of offices recorded at least partial environmental data.
Reduce hub offices greenhouse gas (GHG) emissions per FTE employee by 5% by end of FY15 against FY11 (base year) levels.		We achieved an aggregated carbon intensity reduction for our hub offices of 21% compared with FY11, outperforming our target by 16%. Total group reduction is 22%.
Set all network printers to double-sided default. Purchase paper with at least 50% recycled content.		All offices have set printers to double-sided default and purchase regular paper (A4 or Letter) with at least 50% recycled content.
Collect and responsibly dispose of electronic waste with CloudBlue		58% of offices had at least one E-waste pickup through CloudBlue in FY16.
Reduce business air travel.		We reduced our hub offices carbon intensity as a result of Business air travel by 24% compared with FY11.
Build more robust green teams in each office.		We actively engaged with our local offices to achieve Carbon Trust Certification and launch environmental pilot programs.
Improve lighting energy efficiency in the 10 offices with the highest GHG emissions.		Initiatives started in our Chicago, Atlanta and Amsterdam offices. This will be a priority in FY17 as part of our Carbon Trust certification goals.
Standardize employee commuting benefits globally.		We undertook a region by region study of available programs and will use the outcomes to make recommendations going forward.
Create a Green Meetings policy for all offices.		We created and launched the Green Meetings Guide in all offices in FY16.

Fiscal Year 2016 Citizenship Performance

GOAL	ASSESMENT	ADDITIONAL INFORMATION
INSPIRE CHANGE LOCALLY / Learning & Development		
Achieve at least 24 hours of training/FTE.		In FY16 134,167 training hours were completed globally; 24 hours/FTE.
INSPIRE CHANGE LOCALLY / Diversity & Inclusion		
Launch of three more affinity groups in FY16: African- American, Hispanic and veterans.		Edelman's African American affinity group, Griot, launched in FY16. The Hispanic and Veterans groups are set to launch in FY17.
Set aspirational goals related to diverse hiring and retention.		We established a Diversity and Inclusion Leadership Team to outline and lead our priorities and actions.
INSPIRE CHANGE LOCALLY / Health & Wellbeing		
Make global policy recommendations for employee wellbeing.		In FY16 we created a working group with global HR, Wellness 360 and Global Citizenship and presented global recommendations.
Survey Edelman benefits and wellness specialists globally to get a sense of what's in place and where the gaps are.		The audit of existing programs was completed by global HR in FY16.
STRATEGIZE COLLABORATIVE IMPACT / Pro Bono & Volunteeri	sm	
Pro bono and volunteerism plans submitted for each office.		80% of offices submitted pro bono/volunteerism plans through templates from the Pro Bono & Volunteerism Toolkit.
Over 80% of employees participate in volunteerism.		33% of employees participated in volunteer activities in FY16.
At least 8 hours of pro bono or general volunteerism completed per full-time employee.		A total of 32,854 volunteer and pro bono hours were recorded in FY16: 5.9 hours/FTE.
On-time (quarterly) reporting of volunteerism an pro bono hours.		90% of offices reported volunteerism and pro bono hours in FY16.
Develop templates that our offices can use to build their probono and volunteerism plans.		The Pro Bono & Volunteerism Toolkit was developed and launched in FY16.
ESTABLISH PARTNERSHIPS FOR GOOD / Supplier Diversity & Su	ustainable Puro	chasing
Implement a supplier diversity policy in the U.S.		Supplier diversity hid policy is in place and is being piloted in 9115 offices

Implement a supplier diversity policy in the U.S.

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Supplier diversity bid policy is in place and is being piloted in 9 US offices.



Rethink Our Global Responsibility

For our Citizenship story to evolve, we must continually challenge ourselves to maintain the courage to do the right thing, have the freedom to be constantly curious and, and to pursue excellence by bringing the best of ourselves. We must rethink how we can be a collective force for good in the communities in which we operate.

That was a priority in 2016. Our efforts included a global Citizenship survey of employees; new collaborations among offices and outside partners; and fresh initiatives such as the Ruth Edelman Citizenship Award. By carefully assessing our Citizenship outcomes, we can further advance our Citizenship journey and impact local change through our offices worldwide. We can achieve this by staying true to our entrepreneurial heritage and our founder Dan Edelman's values and principles of success; and through our desire to elevate communication's role.

This is the story of our natural evolution. It reflects our corporate culture of Citizenship.

Our Culture

Citizenship – It's who we are. It's embedded in our core values and exemplifies one of founder Dan Edelman's principles of success to "Give Back." We challenge ourselves to be a trusted and resilient partner for our clients, our communities and our colleagues, while ensuring that we always have the courage to do the right thing.

Our employees appreciate our Citizenship journey. Our annual employee survey found they're more engaged in the overall process and 80% think Citizenship and volunteerism are key to choosing Edelman as their employer. In all, we continually seek to create a Citizenship culture.

C-Score

We first applied the Citizenship Score (C-Score) to our Citizenship efforts in FY15 to integrate our sustainability goals fully into our business practices. It provides accountability on Citizenship-related policies and projects. We base our overall score on each of our offices' performance against 13 key performance indicators.

Citizenship Scores are updated quarterly and shared with the company's senior leadership in order to update them about local office Citizenship progress.

While our FY16 score of 8.0/10 is below our FY15 score of 8.2/10, we did reach our goal of 8.0/10 once again. We have assessed how we can continue to improve our C-Score and have begun putting that plan into place.

Ruth Edelman Citizenship Award

In FY16 we introduced the Ruth Edelman Citizenship Award to our annual Culture Awards. It honors the legacy of Ruth Edelman, our founder Dan Edelman's wife and life partner, who supported numerous health organizations and nonprofits throughout her life. The award recognizes the pro bono project that demonstrates Edelman Citizenship to the highest extent.

The award underscores how a communications marketing strategy can impact a specific societal issue in pro bono partnership with a nonprofit client. It drives collaboration across various Edelman practices and offices, and encourages the inclusion of non-client facing staff. Please see page 16 for the inaugural award winner.

Inspire Change Locally

To inspire a collective force for good, we focus increasingly on executing programs locally with support from global parameters and toolkits. We bring inventive new ideas to projects across the entire Edelman spectrum. This way, our 65 offices work to reach Edelman objectives, then engage with local partners to tackle their community's goals.

Local change is always driven by our employees, Edelman's core strength. And we strive to encourage local initiatives within our global universe to propel advances in learning & development, diversity & inclusion, health & well-being, and creating greener, more sustainable offices.

By motivating change locally, we catalyze a path from influence to leadership. That's a powerful story.

Breakdown of Employees per Region

Breakdown of Employees per Region

11.0100 m	Female	Male	Undisclosed	Total		Silent (Pre 1946)	Boomer (1946-1965)	Gen X (1966-1979)	Millennial (1980-1995)	Gen Z (Post 1995)	Undisclosed	Total
0.000	100				Q. 9						0	-
APACMEA	1,201	539	180	1,560	APACMEA	0	40	246	1255	1	18	1,560
Canada	154	78		232	Canada	0	12	64	156	0	-	232
Europe & CIS	827	391		1,218	Europe & CIS	1	71	301	845	0		1,218
Latin America	248	96	-	344	Latin America	0	8	54	280	2		344
U.S.	1,845	810		2,655	U.S.	6	171	654	1824	0		2,655
Total	4.095	1.914	180	6.009	Total	7	302	1,319	4,360	3	18	6,009

Learning & Development

With Edelman's commitment to excellence, it's important that we demonstrate a thirst for knowledge by embracing curiosity. Through a widening array of learning options and career paths, and via platforms like the Edelman Learning Institute, the annual Leadership Academy and our Global Fellows program, we enable the personal and professional growth of our employees.

Today, the Edelman Learning Institute is a corporate "virtual campus" that encompasses global online sessions, regional seminars, and core skills in-house courses. In FY16, our employees completed 134,167 training hours globally as we again achieved our goal of providing at least 24 hours of training per year to each employee.

The Edelman Leadership Academy enables our leading talent from across the globe the unique opportunity to participate in an intensive educational program conducted by Edelman executives and experts from various fields.

Our <u>Global Fellows</u> program sends DJE employees abroad for up to 12 months to gain firsthand experience working in different markets. This years' Fellows transferred from their regions to our offices in Chicago, Johannesburg, Mumbai, Paris, San Francisco, Sao Paulo, Shanghai, Stockholm, and Washington, D.C.

The Global L&D network is championed and supported with senior regional business leads and a network of deans from each and every office across the globe.

Diversity & Inclusion

In FY16, we continued a multiyear and multipronged effort to ensure our agency possesses a diverse workforce and an inclusive work environment that embraces a host of backgrounds, beliefs and experiences.

We established a **Diversity & Inclusion** (D&I) Leadership Team to map out measurable goals, priorities and actions; launched our third affinity group, Griot (a network for Edelman's African American employees and all colleagues who are interested in learning more about the community) and we will be rolling out Edelman Inclusivo, our Latino network, and our veterans' network in fall 2016. Our employee networks were instrumental in convening colleagues for town hall discussions after the shootings in Orlando and tragedies in Baton Rouge, Minneapolis and Dallas in summer 2016.

We increased internship opportunities for students of color through external partnerships, and sponsored key industry events to recruit diverse candidates; and worked to revamp our D&I training effort.

Our internal Global Women Executive Network (GWEN), first formed in FY12, was established to increase the number of women in senior leadership positions. Currently 40% of senior leadership positions are held by women, and we strive to reach 50%. We will launch of a complete program to support this goal, including measurable actions such as building a pipeline for executive recruitment, addressing unconscious bias through training, and advancing our approach to senior-level succession planning and career development.

Health & Wellbeing

At Edelman, we want to provide a safe and healthy workplace that promotes the wellbeing of all our employees. Our most recent Citizenship and Your Voice employee surveys make clear that employees want Edelman to focus on their health and wellbeing, and we're on it. Finding the right balance between our personal and working lives is key to our wellbeing journey.

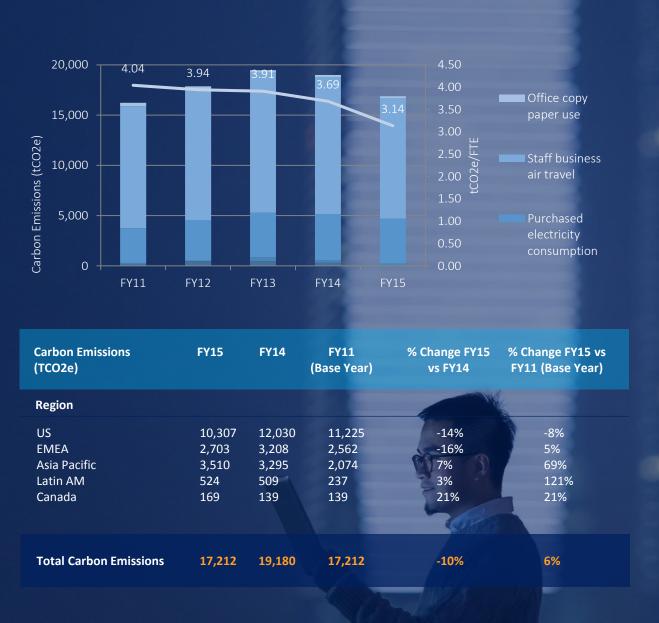
Our Global HR, Wellness360 and Global Citizenship teams established a task force, developed an action plan and sent recommendations to senior leadership with the intent to put the new goals in place globally in FY17.

We are determined to create a culture of wellbeing that focuses on the physical and emotional health of us all, tailored by location to meet the specific needs of individuals, their families and their communities.

Current programs include <u>Edelman Escape</u>, Flexible Work Arrangements and Family Leave, and <u>Sabbatical Programs</u>.

'Wellbeing Wednesday' has been established by our UK office, to ensure that employees get updates and invitations to various wellness-related workshops, talks and activities on a regular basis.

FY16 onsite activities ranged from health checks and nutritional talks to a session on cultivating resilience. Building on this, we will be extending 'Wellbeing Wednesday' to our continental Europe markets in FY17.



*There is a one-year delay for environmental data reporting due to the timing of our publication and our fiscal year.

Carbon Trust

On the heels of London becoming our first office to achieve the esteemed Carbon Trust Standard in FY15, Edelman as an agency became the industry's first firm to receive the certification worldwide in FY16. The award certifies we have reduced our carbon footprint and commit to further annual reductions in the 15 global offices that represent over 70% of our total carbon emissions. To fulfill previously developed goals, in FY17 we are focusing on improving lighting energy efficiency and conducting lighting audits in those offices. We have already started this process in our Chicago, Atlanta and Amsterdam offices. In 2016, we also received a gold Ecovadis rating that puts Edelman among the top 5% of all companies evaluated by the collaborative platform, which provides supplier sustainability ratings for global supply chains.

Green Offices

In Edelman's holistic approach to managing its overall environmental impact, we continued to make significant progress on major goals. Although our total emissions increased as a result of growth, like our recent acquisition in Colombia, by the end of FY15* we achieved an aggregate carbon intensity (per FTE) decrease of 21% vs. FY11 (our baseline year). This exceeds our hub office target by 16%. Contributing to that reduction was a 24% carbon intensity (per FTE) drop in business air travel vs. FY11. We created and distributed a Green Meeting Guide to all offices, and continued to set all office printers to double-sided default and buy copy paper with at least 50% recycled content. Fifty-eight percent of our offices conducted pick ups of electronic waste through CloudBlue and we intend to increase that number in FY17. We also launched a pilot program to reduce solid waste, paper, plastics and food in an effort to divert 50% of our waste from landfills for recycling. To understand the landscape of country-specific employee commuter benefits options, we undertook a region by region study of available programs and will use the outcomes to make recommendations going forward.

Carbon Disclosure Project (CDP)

Edelman recognizes that by measuring our environmental risk, we're better able to manage it strategically. We want to minimize our impact where we can. That's why we made a commitment in FY14 to report to CDP, and we submitted our first annual response in FY15. Additionally, our current and prospective clients report to CDP and expect their suppliers to do so, too. Our initial score, received in FY16, showed that we outperformed the average score in our category. We submitted our second response earlier this year and expect to receive our updated score in November 2016.



Our latest annual employee Citizenship survey tells quite a story. Our employees are more engaged in the overall Citizenship process and they desire more information about Citizenship and about volunteering. And they want Edelman to center our pro bono efforts on social issues that make a difference, including improving education, gender equality and helping children and others in need.

Around the world, employees assisted those in need through pro bono campaigns and volunteering activities in every region. They acted on their deep interests. In FY16, they contributed 32,854 volunteer and pro bono hours, an average of 5.9 hours per employee – short of our 8 hours per employee target. Many signaled they would do more but lack the time for it. Ninety percent of our 65 global offices reported volunteer and pro bono hours and, to help them, we launched a toolkit to help increase their volunteering and pro bono activities.

Our pro bono projects, for the most part, focused on social issues, such as helping to educate the general public about mental health challenges; communicating issues that veterans face as they transition to civilian life; and raising funds for refugees worldwide, among others. General Volunteerism: 8,364 hrs.

TOTAL HOURS: 32,854

Pro Bono:

24,490 hrs.

Pro Bono

Through strategic and creative storytelling, we seek to influence the conversation about society's critical challenges and solutions, and we use our communications marketing principles to make an impact. Exemplifying our commitment to pro bono work was the creation of the Ruth Edelman Citizenship Award.

Throughout FY16, employees contributed 24,490 hours to pro bono initiatives in support of a multitude of causes. They included refugees, children in emergency situations, sexual consent, cancer education, and mental health, among others.

In times of crisis we demonstrated our value of having the courage to do the right thing, as has happened after the horrific shootings in a LGBTQ nightclub in Orlando last June. Our Orlando team, reinforced by assistance from across the network, worked tirelessly with clients, local leaders and the community at large to help bring people together and reshape the community in a powerful, enduring way. Sponsorships, Grants & Contributions: \$785,474 General Volunteerism: \$197,068

TOTAL GIVING: \$4,656,059*

Pro Bono: \$3,673,516

General Volunteerism

Tracking volunteer time always proves difficult but we continue to establish efficient ways to do that. In FY16, we developed and introduced the Pro Bono & Volunteerism Toolkit that helps offices build their plans and share the stories of their impact.

In FY16, our reported general volunteerism hours totaled 8,364 hours. Volunteer efforts supported a wide variety of local causes – from helping victims of Canadian wildfires and Louisiana floods to assisting a busy dog shelter in Singapore and a special event for children with Down syndrome at the YMCA in Guangzhou, China.

Contributions in kind and cash donations from individual employees with company matching programs also assisted organizations to direct funds where they need them most. Through our dollar-for-dollar matching donation program with the American Red Cross, we collectively raised \$11,710 for the relief effort following the flooding in southern Louisiana earlier this year.

Community Investment Grant Program: FY11 – FY16

Fiscal Year	Donations	Organizations
2011	\$146,900	61
2012	\$143,650	64
2013	\$146,250	117
2014	\$148,250	121
2015	\$150,000	158
2016	\$150,000	140
Total	\$885.050	661

Community Investment Grants

From volunteering at their local community shelters to offering their strategic expertise as nonprofit board members, our employees are ingrained in the fabric of their communities.

For the past five years, Edelman has given back to local communities through the Community Investment Grant program, which supports the organizations that our employees care about most with individual grants of up to USD \$2,500. In FY16, 140 grants totaling \$150,000 were awarded to nonprofits around the world.

We have also started to look at how the grants we award each year align with the UN's 17 sustainable development goals that include eliminating poverty and hunger; reducing inequalities; and providing good health and wellbeing, quality education, clean water and affordable, clean energy, among other issues.

* The valuation of pro bono volunteerism is based on the Pro Bono Standards and Valuation Guidelines provided by Taproot Foundation . The valuation of general volunteerism is based on the 2015 Bureau of Labor Statistics data.

Pro Bono Client – Ruth Edelman Citizenship Award winner

GET CONSENT

The Canadian Women's Foundation // Canada

In 2015, there was an unprecedented amount of incidents and public interest around sexual harassment, rape culture and violence against women. The Canadian Women's Foundation wanted to connect with Canadians on this serious issue. To get into the hearts and minds of Canadians, Edelman developed a unique, pro-bono integrated communications marketing campaign called "<u>Get Consent</u>" designed to educate, de-stigmatize and bring awareness to the importance of giving and getting positive and ongoing consent, while bolstering the Foundation's profile as a leading authority on the issue.

The team knew it was necessary to go beyond "finger-wagging" campaigns in order to make an impact so they used humor, facts and highly shareable content to break through and reach Canadians. The centerpiece of the campaign was a compelling video featuring a tragic haircut, overzealous gravy server at a diner and a death metal band at a grandma's birthday party — all exaggerated examples of how consent can be applied to everyday situations.

The four-week campaign garnered more than 22 million media impressions, 220,000 video views on YouTube (over 1.6 million total views, including movie theaters and the video posted on Upworthy) and 22,000 visits to the GetConsent.ca website. Get Consent was one of the first projects in Canada to leverage Edelman's Communications Marketing evolution, bringing together different practices and specialties together to create a truly social by design campaign.

This cross-office, cross-practice integrated team was awarded the inaugural Ruth Edelman Citizenship Award for its dedication and passion to imparting lasting impact on a pressing social issue while exemplifying Citizenship to the highest extent.



Pro Bono Client

the campaign to changedirection

The Campaign to Change Direction // Chicago, Washington D.C.

America is at a crossroads when it comes to how we address mental health. More Americans are expected to die this year by suicide than in car accidents but unfortunately, mental health is a topic that is often avoided and the majority of those suffering with mental health issues never reach out for they help they need and deserve.

In September 2014, Dr. Van Dahlen came to Edelman with the vision of creating a national awareness campaign focused on shifting the narrative surrounding mental health. Inspired by the chance to start a movement that has such importance to our country and the world, Edelman partnered with Dr. Van Dahlen as the pro bono communications partner for what would become <u>The Campaign to Change Direction</u>.

From campaign brand development and communications support to the development of PSAs shown in Times Square, Edelman has helped bring Dr. Van Dahlen's vision to life. The initial goal of the campaign was to reach 1 million people in five years through pledges to learn and educate others on the Five Signs of mental suffering. By the time the campaign was officially launched in March 2015, partners had already pledged to reach a combined 30 million people. Since then, Change Direction has reached nearly 200 million Americans through partner pledges, social media campaigns, and earned media coverage.

As the leading communications marketing firm, we believe in the power of building relationships with audiences in order to create lasting impact on society. With data from the National Institute of Mental Health stating that one in five Americans has a diagnosable mental health condition, we believe that there has never been a more important time to Change Direction.



#itstartswithus – United Nations High Commissioner for Refugees (UNHCR) // Hong Kong

We are facing the biggest refugee crisis in history. Worldwide displacement has hit an all-time high of 65 million people as war and persecution tragically increase. The problem is so big the UN's Refugee Agency has a USD 7 billion global funding gap. UNHCR needs all of us to contribute so it can provide basic food, water, and shelter to the millions of vulnerable refugees.

The complexity and distance of the refugee issue create the unfortunate reality of indifference throughout Hong Kong. Most feel it is irrelevant or that they can't do anything about it.

Led by an insight that the best way to change the conversation was with a peer-to-peer approach, Edelman created content featuring voices of everyday Hong Kongers who told emotional stories of why they care about the refugee issue and how they were doing their part to make a difference and create change. It starts with us.

The campaign's success came from combining insight-led storytelling, powerful creative, and analytics-based targeting to create an integrated ecosystem to engage a carefully selected audience. The #itstartswithus ecosystem started with targeted social media segmentation and was supported with a microsite, PR, email marketing, direct mail marketing, an out-of-home digital billboard, and a film screening. With just two months to execute the campaign leading up to World Refugee Day the campaign generated over 14+M impressions and garnered 35 pieces of earned media coverage. 300,000 Hong Kongers joined the Facebook conversation, 2,000 people signed an online petition calling on governments to do more, and most importantly, the campaign helped Hong Kongers realize that the refugee crisis needs their help, and that they can create change through simple acts – it starts now, #itstartswithus.

#itstartswithus







YMCA Guangzhou – Special Model Contest // Guangzhou

On March 20, 2016, the day before World Down Syndrome Day, YMCA Guangzhou hosted the Special Model Contest for children with Down Syndrome to raise awareness and remind the community that those with Down Syndrome are not really any different than the rest of us. Edelman Guangzhou volunteers spent the day with the contestants and made sure their walk down the runway went smoothly. The Special Model Contest awarded "Outstanding Individual" awards to 10 models who will form a Public Ambassador Team to raise awareness of Down's Syndrome.

Boys and Girls Clubs of Calgary - Capital One Race for Kids™ // Calgary

Edelman Calgary supported the Boys and Girls Clubs of Calgary with one of their largest fundraisers of the year, the Capital One Race for Kids[™]. Throughout the race, teams of four adults competed in a series of quirky checkpoints scattered throughout the community. The checkpoints were designed to encourage teamwork, challenge the body, and focus the mind. The Edelman team volunteered at one of the checkpoints, greeting the teams as they arrived and providing instructions for the challenge. The success of the race means that the Boys and Girls Clubs can provide services to Calgary's homeless youth, giving them a safe place to sleep and nutritious meals on the table.

Kleiderkammer Hamburg // Hamburg

In response to the wave of refugees who migrated to Germany in 2015, active community members initiated the "Kleiderkammer Hamburg Messehalle." On the grounds of the Hamburg fair, volunteers collected, organized and sorted clothes and other goods, ensuring that each refugee would receive a starter-kit for their new lives. In addition, community members and local businesses collected donations and provided services like childcare, healthcare, and education. Edelman volunteered with "Kleiderkammer" to organize a process for sorting the donated goods and collected donations from employees and clients.

General Volunteerism







Camillus House // Miami

Camillus House is a local non-profit charity founded more than 56 years ago with a goal of eliminating chronic homelessness in Miami. Among the services offered, Camillus House helps individuals replace important documents like birth certificates, offers health programs and activities accessible and available to disabled persons, and provides support to transition people to a new life of self-sufficiency. In ongoing support and engagement with Camillus House, the Edelman Miami team volunteered to feed the homeless at Camillus House in celebration of Giving Tuesday, a day recognized globally as a day for giving. Additionally, colleagues served meals for Camillus House clients and guests throughout the holiday season.

Community Transitional School // Portland

Throughout the year, Edelman supported the Community Transitional School, a private school dedicated to serving children whose families are homeless or in transition. In March, eight employees spent the day with students in grades two through five as subjects for the language arts class. The students interviewed the Edelman employees about their lives, including how they overcame challenges and obstacles, and wrote a paper on what they learned and drew their subject's portrait. In this way, Edelman employees were able to serve as positive role models of success in education and work. Edelman also helped collect and donate school supplies in September 2016, acted as "Secret Santa's" for a group of students in December 2015, and in February donated 50 Valentine's Day kits to the students so they could exchange cards for the holiday.

Ward's Warriors // Houston

In early March, the Houston office gathered a group to participate in the Lung Force Walk organized by the American Lung Association (ALA), to raise awareness and funds to fight against lung cancer, and specifically in support of their colleague who is a battling lung cancer. Unfortunately, the event was cancelled, but in honor of their colleague's fighting spirit, a group from the Houston office gathered after work for a walk of their own to raise funds for the American Lung Association.

Establish Partnerships For Good

Alliances developed with countries and companies help us solve our shared societal and environmental challenges. That explains why over 190 countries have signed and countless businesses are embedding in their plans the UN's 17 sustainable development goals for eradicating poverty, hunger and inequality by 2030. It's also why a similar number of countries signed the historic climate control pact in December in Paris.

In 2016, we began or accelerated several collaborations. Together with partners, we are contributing to the first uniform standard of sustainability for professional services firms like ours. As a member of the Sustainable Purchasing Leadership Council, we participated in the development of sustainable purchasing guidelines. We linked up with the nonprofit Give an Hour and the George W. Bush Institute on a major pro bono initiative about mental health and veterans. We're part of Impact 2030 that looks to volunteerism to advance the world's sustainable development goals.

Together, we can tell bigger stories, reach higher goals and have a greater impact on our shared communities.



Clients

As a professional services firm, we know working with our clients is our greatest opportunity to make a positive impact around the world. Whether it's collaborating with clients to develop social strategies that are tied to their business objectives or driving stakeholder behaviors through creative storytelling, we drive powerful connections between companies and the greater good. We are honored to work for some of today's leaders in Citizenship and sustainability.

Through our Business & Social Purpose practice and other agency work, employees helped clients to do good around the world in FY16 and beyond. Symbolizing those efforts: Working with UNICEF in Sweden to recruit more donors for efforts on behalf of children in emergency situations globally, we helped create the virtual child, Sofia, as the campaign's symbol. It reached 663 million people around the world and contributed to 37% more monthly donors in Sweden.

On the next pages you will find some of the examples of how we partnered with our clients to make positive impact in FY16.

Supply Chain

Our drive to develop a responsible and sustainable supply chain that encompasses sustainable purchasing, supplier diversity and supplier accountability accelerated in FY16. It's increasingly essential as clients, potential clients and government agencies want to know what their suppliers are doing to address these issues. Among other initiatives, we began a pilot project in eight U.S. offices using a new policy for supplier diversity that seeks to increase our business with minority-, women-, LGBT- and veteran-owned businesses.

We are an AB member of **SEDEX** and we want to leverage that membership in FY17 to implement responsible supply chain strategies. we participated as a member of the Sustainable Purchasing Leadership Council (SPLC) to develop the Guidance for Leadership in Sustainable Purchasing v2.0, including a professional services sector specific section. As a member of the US technical assistance group for ISO 20400, we contributed to the development of a draft international standard for sustainable procurement.

Partnerships

In our efforts on the sustainable purchasing front, we partnered with <u>NSF International</u> in an American National Standards Institute (ANSI) approved multistakeholder approach to develop general sustainability assessment criteria – the proposed NSF 391.1 standard -for use by government and institutional purchasers in their supply chain procurement activities.

We continue to band together with companies worldwide in the global private sector-led Impact 2030 to mobilize our employee volunteers to help combat our most critical global issues, as defined by the UN Sustainable Development Goals.

Edelman is a founding member of the Professional Services Sustainability Roundtable (PSSP), an affinity group of the Boston College Center for Corporate Citizenship (BCCCC). The PSSR was founded in 2014 when several members formed a collective voice in regards to the unique position of professional service firms and corporate citizenship.



UNICEF – For Sofia // Stockholm

The Challenge: UNICEF works to give every child, everywhere, a fair chance in life. But getting attention for emergencies that aren't highlighted in major media is a struggle. Our mission was to market the need for more World Parents, or monthly donors, in Sweden. The funding of UNICEF is needed to help children all over the world – but media only covers one emergency area and one human faith at a time. What if one child could speak for every child suffering all over the globe?

Our Response: Edelman Deportivo (Stockholm) used the Face Research tool to morph 500 images of children in UNICEF emergency areas into one 3D animated girl named Sofia - the world's most common girls name. Sofia gave a voice – and a face – to all those children who are not heard or seen. For UNICEF, having a virtual child to connect to, describing stories taking place all over the globe, was both highly brand relevant and problem solving. The campaign saw an earned media reach of 663 million people. The For Sofia film reached 987,000 views on Facebook, Instagram and YouTube, setting a new record for UNICEF Sweden. Sofia was even adopted by UNICEF Brazil as the face of their own national campaign. Most importantly, For Sofia recruited 37% more World Parents than the same campaign period in the previous year. Learn more about For Sofia here.



Edelman Client

Kashi

Kashi – Certified Transitional // San Francisco

The Challenge: Despite soaring demand for organics, only ~ 1% of US farmland is currently certified USDA Organic. Inspired to do something to boost organic acreage in the U.S., Kashi partnered with a 3rd party to develop <u>Certified</u> <u>Transitional</u>—a protocol to recognize crops grown on farmland transitioning from conventional to organic. Kashi then created a new product, Dark Cocoa Karma Shredded Wheat Biscuits, to showcase the first-ever Certified Transitional ingredients and called on Edelman to help introduce the world to this new concept and product in May.

Our Response: Edelman's San Francisco Business + Social Purpose team told the Certified Transitional story to Kashi's key audiences through media, stakeholder engagement and conferences. We leveraged industry relationships to broker introductions to key influencers and recruit organizations like Target, The Conservation Fund, and Dr. Bronners to attend an influencer event. A campaign infographic told the story visually and coordinated with Kashi's multiple partners to ensure the story was fully and accurately communicated. We also inspired earned support from influencers like the CEO of Annie's, Zappos' Green Team, and social influencers, secured three keynote speaking opportunities for Kashi's CEO at Sustainable Brands, SXSW Eco and GreenBiz, and worked with Sustainable Brands to publish an open letter from him inviting fellow brands to adopt Certified Transitional. So far, the effort has resulted in 147.3MM+ media impressions against a goal of 74MM and 30+ stories in top outlets including <u>The New York Times, CNBC</u>, NPR, Fast Company, Take Part, Eater, and Mind Body Green. **Edelman Client**



#OptOutside // Seattle, New York, San Francisco

The Challenge: REI, a purpose-driven outdoor retailer and the nation's largest consumer co-op, would shock the retail world by shutting its 143 stores on Black Friday, blacking out its website and paying all 12,000 employees to get outside with family and friends. REI conceived the initiative and recruited Edelman to share the co-op's purpose and unique values; do the right thing for REI employees and galvanize the outdoor industry, generate a national conversation about the benefits of a life outdoors and craft and inspire stories and content that invite people to #OptOutside.

Our Response: Edelman Seattle developed a social-by-design engagement strategy that united traditional media with social influencer engagement, content creation, and influencer engagement to ignite conversations, connections, and sharing. #OptOutside launched on October 26, 2015 with a letter from the CEO to REI's 12,000 employees & 5.5 million members. A total of 1.4 Million People Pledged to #OptOutside in addition to more than 170 organizations, parks, and businesses, and 14 state parks who offered free passes or incentives, with additional support from the Bureau of Land Management, National Forest Foundation and National Park Service. #OptOutside garnered 6.7 Billion media impressions and 1.2 Billion social impressions with 33 days of sustained coverage. More than 400 #OptOutside meetups were hosted, REI retail job applications went up by 92% in Q4 and 2015 sales & membership up nearly double digits over 2014, defying broader retail trends. Learn more about #OptOutside here.

About This Report

How We Identified Material Aspects

Edelman has an ongoing materiality process in which the global citizenship team, with assistance from local citizenship liaisons, monitors new developments in the corporate social responsibility space. These observations are being shared and discussed during our monthly Local Citizenship Network calls and Global Citizenship Advisory Council meetings. Based on these conversations we determine how our initiatives measure up against global trends, initiatives at other service providing firms and relevant developments within our industry. We receive annual feedback from our employees through our Global Citizenship survey. Every three years we conduct a more in-depth analysis that includes feedback from our clients, NGOs and academics. This ongoing materiality process allows us to report on those topics that are most critical to our operations and stakeholders, and map our citizenship journey for the years ahead. For more information about our materiality process and an overview of our identified material aspects, please see Appendix A on www.edelman.com/who we are/global citizenship

GHG Emissions Reporting Methodology and Environmental Metrics

Edelman's organizational boundary of its carbon inventory is determined based on an operational control approach in accordance with The Greenhouse Gas Protocol. The inventory accounts for 100% of carbon emissions of business activities and operations in which Edelman has direct operational control and the full authority to introduce and implement its operating policies. There is a one-year delay for environmental data reporting due to the timing of our publication and our fiscal year. The current carbon inventory thus accounts for the carbon emissions of Edelman's operations for FY15 (1 July 2014 – 30 June 2015).

The carbon emissions calculated include Scope 1, Scope 2 and Scope 3 emissions that were reported for operations within the organizational boundary defined. For more information about our GHG Emissions Reporting Methodology and Environmental Metrics, please see Appendix B and C on www.edelman.com/who-we-are/global-citizenship

Global Reporting Initiative

We are a registered Organizational Stakeholder of the Global Reporting Initiative (GRI) and support its mission to empower decision makers through our sustainability standards and multi-stakeholder network to take action toward a more sustainable economy and world. This report contains Standard Disclosures from the GRI G4 Sustainability Reporting Guidelines. Our full GRI Index can be found online: www.edelman.com/who-we-are/global-citizenship

Reporting year

Edelman's fiscal 2016, from July 1, 2015 through June 30, 2016, unless otherwise noted.

Currency All amounts in this report are expressed in U.S. Dollars.

Previous reports

This is our sixth annual Global Citizenship report. The others can be found on www.edelman.com

Contact

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